



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Adopt Resolution Awarding Transformer Testing Services at McLane Substation to Waukesha Electric Systems, Inc. of Waukesha, Wisconsin (\$25,670) and Authorize the City Manager to Approve Change Orders for Any Needed Repairs (EUD)

MEETING DATE: December 3, 2008

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution awarding transformer testing services at McLane Substation to Waukesha Electric Systems, Inc. (Waukesha) of Waukesha, Wisconsin and authorize the City Manager to approve change orders for needed repairs identified.

BACKGROUND INFORMATION: On September 3, 2008, the City Council approved the request for proposal (RFP) for services to perform inspection, adjustments, and maintenance tests of two power transformers and load tap changers in McLane Substation.

Four transformer service companies requested RFP documents and two proposals were received on October 1, 2008 with the following results:

Waukesha Electric Systems, Inc.	\$25,670
Transformer Services, Inc.	\$26,410
Western Utilities Transformer Service	No Bid
Geo. E. Honn Company, Inc.	No Bid

Staff believes that Waukesha's bid is reasonable from pricing and technical standpoints. The engineering estimate for this work is \$40,000.

Waukesha provides total substation maintenance solutions from 480V to 765kV and is focused on maintaining the performance quality, reliability and life of transformers, load tap changers, breakers and other components throughout the electric power system. It has extensive knowledge, expertise and resources for substation facility maintenance services. Waukesha performed the maintenance tests and change-order repairs of two power transformers at the Industrial Substation in September 2007 for a total cost of \$42,556.

During the maintenance test and inspection, damaged and worn out electrical parts, mechanical linkages and components will likely become apparent that require repairs and replacements to enhance the functionality of the power transformers. These fixes need to be done immediately while the equipment is disassembled, de-energized and minimize exposure to potential inclement weather conditions that will affect completion of repair work. Time is of the essence for this job. Authorizing the City Manager to approve future change orders would hasten processes as well as ensure continuity of repair works and increase efficiency and effectiveness.

It has been five years since complete maintenance tests were performed on the McLane Substation transformers which is a longer timeframe than standard industry practice. Staff therefore recommends that the City Council award the transformer maintenance services to Waukesha Electric Systems, Inc. and also authorize the City Manager to approve future change orders for any identified transformer repairs. Staff will provide a summary of any change orders as part of the maintenance service completion report.

APPROVED: 
Blair King, City Manager

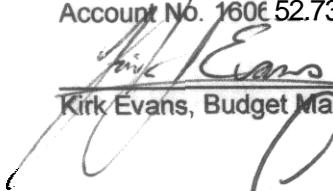
Adopt Resolution Awarding Transformer Testing services at McLane Substation to Waukesha Electric Systems, Inc. of Waukesha, Wisconsin (525,670) and Authorize the City Manager to Approve Change Orders for Any Needed Repairs (EUD)

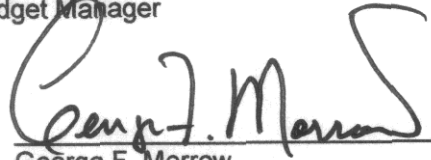
December 3, 2008

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FISCAL IMPACT: Ease cost is \$25,870 plus actual cost of any needed replacement parts (estimated at \$15,000).

FUNDING AVAILABLE: Account No. 1606 52.7323 Substation Maintenance.


Kirk Evans, Budget Manager


George F. Morrow
Electric Utility Director

PREPARED BY Demy Bucaneg, Jr., P.E., Assistant Electric Utility Director

GFM/DB/1st

RESOLUTION NO. 2008-233

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING
TRANSFORMER TESTING SERVICES AT MCLANE
SUBSTATION AND AUTHORIZING THE CITY MANAGER TO
APPROVE CHANGE ORDERS FOR NEEDED REPAIRS

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed proposals were received and publicly opened on October 1, 2008, at 11:00 a.m., for the maintenance of two power transformers at McLane Substation, described in the request for proposal therefore approved by the City Council on December 3, 2008; and

WHEREAS, said proposals have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

Waukesha Electric Systems, Inc.	\$25,670
Transformer Services, Inc.	\$26,410
Western Utilities Transformer Service	No Bid
Geo. E. Honn Company, Inc.	No Bid

WHEREAS, damaged and worn out electrical parts, mechanical linkages, and components would likely become apparent that require repairs and replacements to enhance the functionality of the power transformers; and

WHEREAS, authorization for the City Manager to approve future change orders for these repairs and replacements would hasten processes, ensure continuity of repair works, and increase efficiency and cost effectiveness.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the award of transformer testing services to Waukesha Electric Systems, Inc., of Waukesha, WI, in the amount of \$25,670 and authorize the City Manager to approve future change orders for identified transformer repairs.

Dated: December 3, 2008

I hereby certify that Resolution No. 2008-233 was passed and adopted by the City Council of the City of Lodi in a regular meeting held December 3, 2008, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Katzakian,
and Mayor Mounce

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk